



City Councilmember
Carl DeMaio

News Release

City Attorney Validates DeMaio Pension Reform Proposal

*Mayor and Council Can Legally Freeze
“Pensionable Pay” and Prevent Pension Spiking*

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SAN DIEGO – Councilmember Carl DeMaio today heralded a memorandum released by City Attorney Jan Goldsmith that confirms the City’s legal ability to implement a major pension reform proposal outlined in DeMaio’s **Roadmap to Recovery** Plan.

One of the major elements of DeMaio’s comprehensive pension reform package is to freeze city employees’ “pensionable pay” for five years and to change how city employees’ pensions are calculated to exclude “add-ons” or “specialty pays” and use only base salaries in the calculation of benefits.

By enacting DeMaio’s proposed pension reforms, city taxpayers will save more than \$290 million in just the next five years – and significantly more thereafter. DeMaio has put forth the only proposal to date that brings pension costs down to more sustainable levels to avoid bankruptcy.

“The City Attorney continues to provide clear legal guidance for achieving significant pension savings,” said DeMaio. “It is now up to the Mayor and City Council to act on these much-needed pension reforms that taxpayers deserve.”

The City Attorney’s legal opinion not only validates the legality of DeMaio’s proposal, but provides a number of recommendations for how to implement the proposal.

“We must seize this opportunity to act -- we have never been closer to a real fix to our city’s pension crisis,” said DeMaio. “The City Attorney’s memo shows that there is a clear choice between further reductions to services or reforming pension costs. I am hopeful that the Mayor and City Council will choose pension reform rather than more cuts to our vital city services.”

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